

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	<i>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.</i> BORROWER NAME All West Communications, Inc. (Prepared with Audited Data)
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INSTRUCTIONS -Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.	PERIOD ENDING December, 2013	BORROWER DESIGNATION UT0514
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CERTIFICATION We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief. ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES. DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII (Check one of the following)	
<input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects.	<input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report
Alisha Lewis	3/31/2014 DATE

PART A. BALANCE SHEET					
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents	1,851,285	2,691,736	25. Accounts Payable	1,570,701	2,171,262
2. Cash-RUS Construction Fund	1,294	2,637,040	26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments	154,121	150,094
a. Telecom, Accounts Receivable			28. Customer Deposits	252,512	278,260
b. Other Accounts Receivable	(247,823)	35,716	29. Current Mat. L/T Debt	3,060,900	3,691,800
c. Notes Receivable	875,147	827,161	30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		122,900
a. Telecom, Accounts Receivable	437,449	385,404	32. Income Taxes Accrued	5,767	
b. Other Accounts Receivable	742,704	468,336	33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities	481,979	601,345
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)	5,525,980	7,015,661
6. Material-Regulated	299,383	272,563	LONG-TERM DEBT		
7. Material-Nonregulated			36. Funded Debt-RUS Notes	7,524,383	15,632,160
8. Prepayments	94,504	204,679	37. Funded Debt-RTB Notes		
9. Other Current Assets	93,638	131,146	38. Funded Debt-FFB Notes	11,182,139	8,496,752
10. Total Current Assets (1 Thru 9)	4,147,581	7,653,781	39. Funded Debt-Other		
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Recquired Debt		
b. Nonrural Development	12,963,377	12,516,495	43. Obligations Under Capital Lease	132,647	101,986
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development	80,878	122,137	46. Total Long-Term Debt (36 thru 45)	18,839,169	24,230,898
13. Nonregulated Investments	1,106,869	1,106,869	OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets	39,541	32,681	47. Other Long-Term Liabilities	1,085,090	1,878,997
15. Deferred Charges		7,356	48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)	14,190,665	13,785,538	50. Total Other Liabilities and Deferred Credits (47 thru 49)	1,085,090	1,878,997
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18. Telecom, Plant-in-Service	58,540,494	66,318,281	51. Cap. Stock Outstand. & Subscribed	4,776,366	4,776,366
19. Property Held for Future Use			52. Additional Paid-in-Capital	15,432	15,432
20. Plant Under Construction	351,603	597,617	53. Treasury Stock	(109,668)	(109,668)
21. Plant Adj., Nonop. Plant & Goodwill	1,522,661	1,522,661	54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation	43,521,281	45,848,825	55. Other Capital	346,860	303,503
23. Net Plant (18 thru 21 less 22)	16,893,477	22,589,734	56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins	4,752,494	5,917,864
	35,231,723	44,029,053	58. Total Equity (51 thru 57)	9,781,484	10,903,497
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	35,231,723	44,029,053

Total Equity = 24.76% % of Total Assets

USDA-RUS		BORROWER DESIGNATION	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		UT0514	
		PERIOD ENDING	
INSTRUCTIONS- See RUS Bulletin 1744-2		December, 2013	
PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS			
ITEM		PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues		1,811,608	1,807,933
2. Network Access Services Revenues		7,608,026	7,667,294
3. Long Distance Network Services Revenues			
4. Carrier Billing and Collection Revenues			
5. Miscellaneous Revenues		388,270	391,415
6. Uncollectible Revenues		33,362	(8,994)
7. Net Operating Revenues (1 thru 5 less 6)		9,774,542	9,875,636
8. Plant Specific Operations Expense		1,961,820	2,272,720
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)		306,563	342,366
10. Depreciation Expense		3,916,289	2,649,971
11. Amortization Expense		1,773	1,087
12. Customer Operations Expense		579,165	485,203
13. Corporate Operations Expense		1,794,490	2,027,896
14. Total Operating Expenses (8 thru 13)		8,560,100	7,779,243
15. Operating Income or Margins (7 less 14)		1,214,442	2,096,393
16. Other Operating Income and Expenses			
17. State and Local Taxes		(2,669)	(50,885)
18. Federal Income Taxes		(20,891)	(285,333)
19. Other Taxes		328,132	961,007
20. Total Operating Taxes (17+18+19)		304,572	624,789
21. Net Operating Income or Margins (15+16-20)		909,870	1,471,604
22. Interest on Funded Debt		701,411	705,417
23. Interest Expense - Capital Leases		13,661	
24. Other Interest Expense		9,202	22,627
25. Allowance for Funds Used During Construction		10,341	43,111
26. Total Fixed Charges (22+23+24-25)		713,933	684,933
27. Nonoperating Net Income		53,631	47,633
28. Extraordinary Items			
29. Jurisdictional Differences			
30. Nonregulated Net Income		354,404	331,066
31. Total Net Income or Margins (21+27+28+29+30-26)		603,972	1,165,370
32. Total Taxes Based on Income		155,567	474,475
33. Retained Earnings or Margins Beginning-of-Year		4,148,523	4,752,494
34. Miscellaneous Credits Year-to-Date			
35. Dividends Declared (Common)			
36. Dividends Declared (Preferred)			
37. Other Debits Year-to-Date		1	
38. Transfers to Patronage Capital			
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]		4,752,494	5,917,864
40. Patronage Capital Beginning-of-Year			
41. Transfers to Patronage Capital			
42. Patronage Capital Credits Retired			
43. Patronage Capital End-of-Year (40+41-42)		0	0
44. Annual Debt Service Payments		3,615,478	3,910,817
45. Cash Ratio [(14+20-10-11) / 7]		0.5061	0.5825
46. Operating Accrual Ratio [(14+20+26) / 7]		0.9800	0.9203
47. TIER [(31+26) / 26]		1.8460	2.7014
48. DSCR [(31+26+10+11) / 44]		1.4482	1.1511

USDA-RUS							BORROWER DESIGNATION UT0514 PERIOD ENDED December, 2013	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS								
INSTRUCTIONS - See RUS Bulletin 1744-2								
Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION								
EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES		
	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (including fiber) (a)	FIBER (b)	
279	31.39	31.39	69	211	280	112.00	50.00	
333	26.00	16.50	64	214	278	60.50	38.50	
336	26.00	16.50	283	1,225	1,508	208.00	98.00	
444	22.00	18.95	165	269	434	209.00	43.00	
782	26.00	16.50	8	242	250	61.00	52.00	
783	26.00	16.50	368	2,392	2,760	434.00	100.50	
785	26.00	16.50	38	484	522	122.00	90.00	
793	26.00	16.50	106	304	410	238.00	74.00	
497	31.39	31.39	8	0	8	8.00	5.00	
657	35.00	22.00	19	14	33	20.50	20.50	
Mobile/Wireless					0			
Route Mileage Outside Exchange Area						0.00	0.00	
Total			1,128	5,355	6,483	1,473.00	569.50	
No. Exchanges	10							

USDA-RUS							BORROWER DESIGNATION UT0514 PERIOD ENDED December, 2013	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS								
INSTRUCTIONS - See RUS Bulletin 1744-2								
Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION								
4. BROADBAND SERVICE								
Details on Least Expensive Broadband Service								
EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	StandAlone/Pckg (f)	Type Of Technology (g)
279	280	204	84	3,000	512	39.95	StandAlone	DSL
333	278	203	80	3,000	512	39.95	StandAlone	DSL
336	1,508	1,102	554	3,000	512	39.95	StandAlone	DSL
444	434	1,438	34	3,000	512	39.95	StandAlone	DSL
782	250	235	59	3,000	512	39.95	StandAlone	DSL
783	2,760	1,885	829	3,000	512	39.95	StandAlone	DSL
785	522	362	173	3,000	512	39.95	StandAlone	DSL
793	410	267	122	3,000	512	39.95	StandAlone	DSL
497	8	1	0	3,000	512	39.95	StandAlone	DSL
657	33	43	0	3,000	512	39.95	StandAlone	DSL
Total	6,483	5,740						

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS			BORROWER DESIGNATION UT0514 PERIOD ENDING December, 2013		
INSTRUCTIONS- See RUS Bulletin 1744-2					
PART D. SYSTEM DATA					
1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile	5. Subscribers per Route Mile	
28	31	2,371	2.73	4.40	
PART E. TOLL DATA					
1. Study Area ID Code(s) a. 8090 03 b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____		2. Types of Toll Settlements (Check one) <div style="display: flex; justify-content: space-between;"> <div> Interstate: <input type="checkbox"/> Average Schedule Intrastate: <input type="checkbox"/> Average Schedule </div> <div> <input checked="" type="checkbox"/> Cost Basis <input checked="" type="checkbox"/> Cost Basis </div> </div>			
PART F. FUNDS INVESTED IN PLANT DURING YEAR					
1. RUS, RTB, & FFB Loan Funds Expended					8,117,020
2. Other Long-Term Loan Funds Expended					
3. Funds Expended Under RUS Interim Approval					
4. Other Short-Term Loan Funds Expended					
5. General Funds Expended (Other than Interim)					230,295
6. Salvaged Materials					
7. Contribution in Aid to Construction					
8. Gross Additions to Telecom. Plant (1 thru 7)					8,347,315
PART G. INVESTMENTS IN AFFILIATED COMPANIES					
INVESTMENTS (a)	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year (b)	Income/Loss This Year (c)	Cumulative Investment To Date (d)	Cumulative Income/Loss To Date (e)	Current Balance (f)
1. Investment in Affiliated Companies - Rural Development					
2. Investment in Affiliated Companies - Nonrural Development	(777,948)	331,065	19,303,101	(6,786,606)	12,516,495

USDA-RUS
OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION

UT0514

PERIOD ENDING

December, 2013

PART H. CURRENT DEPRECIATION RATES

Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one)



YES



NO

EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	16.65%
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	13.03%
4. Land and support assets - Garage and other work equipment	18.10%
5. Land and support assets - Buildings	3.70%
6. Land and support assets - Furniture and Office equipment	11.35%
7. Land and support assets - General purpose computers	12.90%
8. Central Office Switching - Digital	12.50%
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	
12. Central Office Transmission - Circuit equipment	
13. Information origination/termination - Station apparatus	10.00%
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	
19. Cable and wire facilities - Aerial cable - Metal	3.53%
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	
22. Cable and wire facilities - Underground cable - Fiber	
23. Cable and wire facilities - Buried cable - Metal	5.68%
24. Cable and wire facilities - Buried cable - Fiber	4.55%
25. Cable and wire facilities - Conduit systems	
26. Cable and wire facilities - Other	

USDA-RUS		BORROWER DESIGNATION	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		UT0514	
		PERIOD ENDED December, 2013	
INSTRUCTIONS – See help in the online application.			
PART I – STATEMENT OF CASH FLOWS			
1.	Beginning Cash (Cash and Equivalents plus RUS Construction Fund)	1,852,579	
CASH FLOWS FROM OPERATING ACTIVITIES			
2.	Net Income	1,165,370	
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities			
3.	Add: Depreciation	2,649,971	
4.	Add: Amortization	1,087	
5.	Other (Explain)		
Changes in Operating Assets and Liabilities			
6.	Decrease/(Increase) in Accounts Receivable	42,874	
7.	Decrease/(Increase) in Materials and Inventory	26,820	
8.	Decrease/(Increase) in Prepayments and Deferred Charges	(117,531)	
9.	Decrease/(Increase) in Other Current Assets	(37,508)	
10.	Increase/(Decrease) in Accounts Payable	600,561	
11.	Increase/(Decrease) in Advance Billings & Payments	(4,027)	
12.	Increase/(Decrease) in Other Current Liabilities	113,599	
13.	Net Cash Provided/(Used) by Operations	4,441,216	
CASH FLOWS FROM FINANCING ACTIVITIES			
14.	Decrease/(Increase) in Notes Receivable	47,986	
15.	Increase/(Decrease) in Notes Payable	0	
16.	Increase/(Decrease) in Customer Deposits	25,748	
17.	Net Increase/(Decrease) in Long Term Debt (including Current Maturities)	6,145,529	
18.	Increase/(Decrease) in Other Liabilities & Deferred Credits	793,907	
19.	Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital	(43,357)	
20.	Less: Payment of Dividends	0	
21.	Less: Patronage Capital Credits Retired	0	
22.	Other (Explain)		
23.	Net Cash Provided/(Used) by Financing Activities	6,969,813	
CASH FLOWS FROM INVESTING ACTIVITIES			
24.	Net Capital Expenditures (Property, Plant & Equipment)	(8,023,801)	
25.	Other Long-Term Investments	405,623	
26.	Other Noncurrent Assets & Jurisdictional Differences	6,860	
27.	Other (Explain) Additional capital expenditures net of plant salvage and cost of removal	(323,514)	
28.	Net Cash Provided/(Used) by Investing Activities	(7,934,832)	
29.	Net Increase/(Decrease) in Cash	3,476,197	
30.	Ending Cash	5,328,776	

Revision Date 2010

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION UT0514
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	
Independent Accountant's Compilation Report	
To the Board of Directors	
All West Communications, Inc.	
500W. 100 North	
Kamas, Utah 84036	
<p>We have compiled the balance sheets of All West Communications, Inc. (a Utah Company) as of December 31, 2013 and 2012, and the statements of income and retained earnings or margins for the years ended December 31, 2013 and 2012, and cash flows for the year ended December 31, 2013, included in the accompanying prescribed form. We have also compiled the supplementary information in Parts "E", "F", "G" and "H" of the accompanying prescribed form. We have not audited or reviewed the financial statements and the supplementary information in Parts "E", "F", "G" and "H" and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and the supplementary information in Parts "E", "F", "G", and "H" is in accordance with the form prescribed by the Rural Development Utilities Program.</p>	
<p>Management is responsible for the preparation and fair presentation of the financial statements and the supplementary information in Parts "E", "F", "G" and "H" in accordance with requirements prescribed by Rural Development Utilities Program and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statement and the supplementary information in Parts "E", "F", "G" and "H".</p>	
<p>Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statement and the supplementary information in Parts "E", "F", "G" and "H".</p>	
<p>These financial statements and the supplementary information in Parts "E", "F", "G" and "H" are presented in accordance with the requirements of the Rural Development Utilities Program, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Rural Development Utilities Program and is not intended to be and should not be used by anyone other than this specified party.</p>	
<p>The supplementary information contained in Parts "C" and "D" of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.</p>	
Kiesling Associates LLP	
Madison, WI	
March 26, 2014	

USDA-RUS	BORROWER DESIGNATION
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	UT0514
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	